

1 BILL NO. S-82-01-15

2 SPECIAL ORDINANCE NO. S-13-82

3  
4 AN ORDINANCE authorizing payment of  
5 \$20,000.00 by the City of Fort Wayne  
6 Indiana, to the Chamber of Commerce  
7 Economic Development Group.

8 WHEREAS, the Chamber of Commerce Economic Development  
9 Group of the City of Fort Wayne, Indiana, hereinafter referred  
10 to as EDG has contracted with the Fantus Company for the  
11 purposes of obtaining target informational data and other  
12 data and consulting assistance with regards to economic  
13 development;

14 WHEREAS, the City has been requested to pay \$20,000.00  
15 out of a total project cost of not to exceed \$58,000.00, by  
16 the EDG;

17 WHEREAS, it is in the best interest of the City to help  
18 defray the cost as afordescribed.

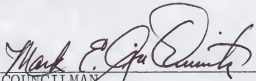
19 NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF  
20 THE CITY OF FORT WAYNE, INDIANA:

21 SECTION 1. The payment up to \$20,000.00 is hereby  
22 authorized to the EDG for purposes of assisting the EDG in  
23 defraying the monies payable to the Fantus Company for the  
24 providing of obtaining target informational data and other  
25 data and consulting assistance with regards to economic  
26 development as more specifically described in the attached  
27 Exhibit A, made a part hereof.

28 SECTION 2. That the payment herein authorized shall be  
29 paid by the City at such time or times as deemed appropriate  
30 by the Controller and the Director of the Department of  
31 Economic Development.

32 SECTION 3. The payment herein authorized made shall be  
subject to all appropriate budgetary provisions.

1           SECTION 4. That this Ordinance shall be in full force and  
2 effect from and after its passage and approval by the Mayor.

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4  
5   
6 COUNCILMAN

7 APPROVED AS TO FORM AND  
8 LEGALITY JANUARY 22, 1982

9  
10   
11 BRUCE O. BOMBERGER, CITY ATTORNEY

Read the first time in full and on motion by GiaQuinta, seconded by Stier, and duly adopted, read the second time by title and referred to the Committee General (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_.M., E.S.T.

DATE: 1-26-82

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Read the third time in full and on motion by GiaQuinta, seconded by Stier, and duly adopted, placed on its passage. PASSED (~~POST~~) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	<u>7</u>	_____	<u>1</u>	<u>1</u>	_____
BRADBURY	<u>X</u>	_____	_____	_____	_____
BURNS	_____	_____	<u>X</u>	_____	_____
EISBART	<u>X</u>	_____	_____	_____	_____
GiaQUINTA	<u>X</u>	_____	_____	_____	_____
NUCKOLS	_____	_____	_____	<u>X</u>	_____
SCHMIDT	<u>X</u>	_____	_____	_____	_____
SCHOMBURG	<u>X</u>	_____	_____	_____	_____
STIER	<u>X</u>	_____	_____	_____	_____
TALARICO	<u>X</u>	_____	_____	_____	_____

DATE: 2-9-82

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING-MAP) (GENERAL) (ANNEXATION) (SPECIAL) (~~APPROPRIATION~~) ORDINANCE (RESOLUTION) NO. 13-82 on the 9th day of February, 1982.

ATTEST:

(SEAL)

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Samuel J. Talarico  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 10th day of February, 1982, at the hour of 10:30 o'clock A.M., E.S.T.

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 10th day of February, 1982, at the hour of 2 o'clock P.M., E.S.T.

Win Moses, Jr.  
WIN MOSES, JR. - MAYOR

BILL NO. S-82-01-15

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON Finance TO WHOM WAS REFERRED AN  
ORDINANCE authorizing payment of \$20,000.00 by the City of Fort  
Wayne, Indiana, to the Chamber of Commerce Economic  
Development Group

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT  
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE DO PASS.

MARK E. GIAQUINTA - CHAIRMAN

PAUL M. BURNS - VICE CHAIRMAN

JAMES S. STIER

JOHN NUCKOLS

DONALD J. SCHMIDT

CONCURRED IN

DATE 2-9-82 CHARLES W. WESTERMAN, CITY CLERK

## THE PLAN OF STUDY: PHASES AND TASKS OF ANALYSIS

Fantus proposes to accomplish its plan of study through the orderly completion of five major phases which are in turn composed of 13 distinct tasks. Work on these tasks and phases is a sequential, building process leading to the presentation of a final industry identification and marketing program encompassing all elements described in the RFP. The content and sequence of these phases and tasks are described in the sections which follow. A graphic portrayal of the tasks and the time sequence of the conduct and completion of these tasks is presented in Exhibit 1.

A project start-up meeting will be held on January 11, 1982. Key Fantus personnel assigned to this project will be present at this meeting. The meeting is designed to be a general scoping session and will: (1) familiarize the Fantus project staff with the EDG staff and EDG operations; (2) define and discuss major issues of procedure, data availability, etc.; and (3) resolve any remaining questions the EDG has as to the study or the format and content of study results.

The phases and tasks proposed by Fantus to accomplish this study are as follows:

### PHASE 1: COMPARATIVE ANALYSIS OF THE LOCAL ECONOMY (RFP Section 1)

The major purpose of this phase is to establish the existing condition and future prospects of the Fort Wayne economy. Emphasis will be on the combination of available data from public and semi-public agencies with specialized survey data and other field data gathered by Fantus through interviews with local public officials and business leaders and through first-hand inspection of the community. These data will be used in conjunction with insights gained by Fantus in its thousands of private and public sector consulting projects to describe the current status of the local economy and its likely future course in the absence of

EXHIBIT 1  
TASK/PHASE COMPLETION SCHEDULE

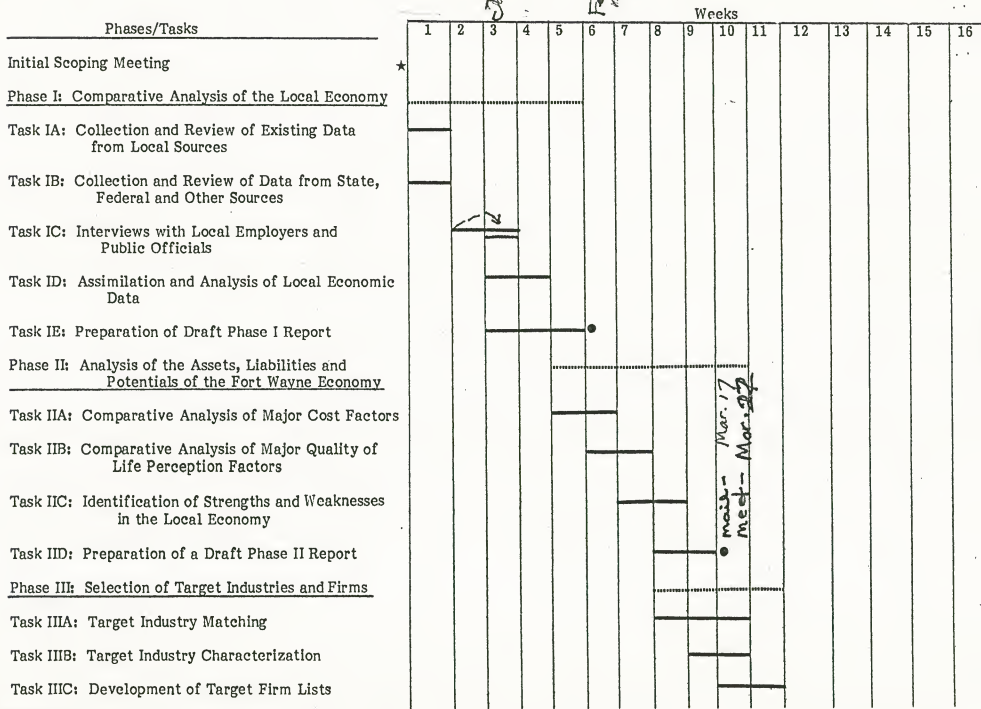


EXHIBIT 1  
TASK/PHASE COMPLETION SCHEDULE  
(Cont'd)

Phases/Tasks

Phase IV: Development of a Marketing Program

Phase V: Preparation of Final Reports

Phase VI: Implementation/Follow-Up  
*no time frame*

Weeks															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

Key:

- Duration of Task
- ..... Duration of Phase
- Written work product

*week of  
April 26<sup>th</sup> -  
mail - 28<sup>th</sup>*

May 3

4:00 - EDG  
dinner

7:00 - public mtg.

effective intervention by the EDG. The focus of this phase will be on description of the existing economic base, analysis of conditions in Fort Wayne as perceived by site seekers, and analysis of future dynamics of employment trends vs. labor force trends (job gap). This phase contains the following tasks.

#### Task 1A: Collection and Review of Existing Data From Local Sources

We anticipate that a large amount of data has already been collected by various agencies within the Fort Wayne area. These agencies include local planning commissions, utilities, banks, and the Chamber of Commerce Economic Development Group. During the week of January 11, we will gather and review this data to determine its scope, the recency of coverage, and to determine any significant data gaps. This review will help to "fine tune" the effort for data collection from local industries and public officials (Task 1C, below).

#### Task 1B: Collection and Review of Additional Data From State, Federal and Other Sources

Concurrent with our review of local data sources will be a thorough review of various public and proprietary Fantus data resources. These will include but are not limited to the following:

- Fantus client studies.
- U.S. Census of Population and Housing.
- U.S. Census of Manufacturing.
- U.S. Bureau of Labor Statistics and Indiana Employment Security Division studies.
- National Planning Association economic forecasts.
- County Business Patterns.
- Sales and Marketing Management.
- Marshall Valuation Service.
- Society of Industrial Realtors.
- Edison Electric Institute.
- U.S. Department of Energy.



- American Management Association.
- U.S. Chamber of Commerce.
- Federal Aviation Authority.
- Rail and motor carrier tariffs.
- Division of Research, School of Business, Indiana University.

These data would be obtained from the Fantus library or directly from issuing agencies.

#### Task 1C: Interviews With Local Employers and Public Officials

An intensive series of interviews will be conducted with major community segments and decision-makers. These would include major industrial, warehousing, and office/clerical employers, elected public officials, public agency officials (e.g., tax assessor), civic leaders and labor and minority group leaders. Interviews would also be conducted with key persons involved in the business location process, including industrial/commercial realtors and developers, bankers, and utility officials. Among the location factors to be included in our evaluation are:

##### Operating Cost Factors

- Manufacturing wage levels
- Clerical wage levels
- Fringe benefit levels
- Market location/freight
- Water costs (process and sanitary)
- Sewer costs (process and sanitary)
- Fuel costs
- Electricity costs
- Building costs
- Land/site costs
- Property tax costs
- Machinery and equipment tax costs
- Inventory tax costs
- Corporate income tax levies
- Personal income tax levies

#### Operating Condition Factors

- Unskilled labor supply
- Skilled labor supply
- Office labor supply
- Managerial labor supply
- Labor attitudes
- Electric power availability
- Fuel availability
- Water availability
- Sewer availability
- Highway accessibility
- Railroad freight service
- Common motor carrier service
- Quality of air service
- Vocational education facilities
- Industrial site suitability
- Office site suitability
- Availability office/manufacturing buildings
- Local government receptivity to new development
- Community cooperation

#### Living Condition Factors

- Cost of living
- Crime statistics
- Housing availability
- Recreational opportunities
- Local shopping facilities
- Cultural facilities
- Hotel and motel accommodations
- Public and private secondary education
- Vocational education opportunities
- Medical and health services
- Local traffic conditions

#### Task 1D: Assimilation and Analysis of Local Economic Data

Data gathered from local sources, other existing data sources (state and federal agencies) and Fantus field studies will be analyzed to determine the current condition of the Fort Wayne economy and to describe its likely future course in the absence of EDG efforts. This analysis will include those components identified in the RFP (population, work force, unemployment, income, wages, financial resources, utilities, transportation, business cost factors, and economic base). Data collected in Tasks 1A-1C will also be utilized in Phase II of this study which will analyze the assets, liabilities and potentials of the Fort Wayne economy.

#### Task 1E: Preparation of a Draft Phase I Report

Draft reports will be prepared for Phases I and II of this study. These reports will present findings for each phase in written form and will serve as the basis for meetings between Fantus project personnel and the EDG during the course of the study. These meetings will give the EDG direct input into the study process and will maintain flexibility in procedure and design throughout the study. A discussion meeting will be held approximately one week after the Phase I draft report is presented to the EDG.

We believe that the information gathered in Phases I and II of our study will be very useful in developing a retention and expansion program for existing local industries as well as for identifying target industries. We will conduct our work in these two phases and will structure our reports on them in such a way as to maximize their usefulness for a retention expansion program as well as for a target industry program.

#### **PHASE II: ANALYSIS OF THE ASSETS, LIABILITIES AND POTENTIALS OF THE FORT WAYNE ECONOMY (RFP Sections 2 and 3)**

The second major phase of our analysis will combine RFP Sections 2 and 3. Specific outputs described by these sections would be retained but their performance would be undertaken concurrently so as to minimize manpower and time requirements. This phase would contain the following tasks:

#### Task 1IA: Comparative Analysis for Major Cost Factors

Fort Wayne's position in regard to the five major locational costs factors, which account for over 80 percent of all geographically variable operating costs in a typical plant location study, will be analyzed. These factors are labor cost, transportation costs, occupancy (land and building) costs, utility costs and taxes. Fort Wayne's cost levels will be compared to regional and national cost levels for each factor as well as the total of all factors.

#### Task 11B: Comparative Analysis of Fort Wayne for Major Quality of Life/Perception Factors

An analysis similar to that described in Task 11A will be conducted for the Quality of Life indicators as listed above. Fort Wayne will be compared to national averages and competitive cities, as is appropriate.

#### Task 11C: Identification of Strengths and Weaknesses in the Local Economy

This analysis will be based on the output of Phase I and Tasks 11A and 11B. It will be designed to answer the following questions:

- ① • What gaps exist within the existing local economic structure that might be filled by new business ventures in the Fort Wayne area?
- What are the major industrial complexes and linkages lending strength to the local economy?
- How does Fort Wayne look to a representative of a company considering it as a place in which to locate a new operation?
- What assets make Fort Wayne a logical locational choice over its competitors?
- What factors are at work that might discourage firms from locating in Fort Wayne?

#### Task 11D: Preparation of Draft Phase 11 Report

This report will review strengths and gaps in the local economic structure and will compare operating cost and condition factors in Fort Wayne to regional and national averages and to competitive cities.

### PHASE III: SELECTION OF TARGET INDUSTRIES AND FIRMS (RFP Sections 4 and 5)

#### Task 11IA: Target Industry Matching

Fantus has long believed that industry targeting (the "rifle" approach) is the best way for a community to get maximum results from a development effort. Many industries are not likely to experience growth in the near future or are not likely to locate in Fort Wayne, based on the locational characteristics of the region and the community. There is no point in expending large amounts of limited personnel and monetary resources on these low-potential prospects.

Target industries will be selected on the basis of the assets and liabilities analysis contained in Phase II of this study and on a general analysis of national and individual industry growth trends. Each target industry will have to meet the four following general criteria:

1. Fort Wayne's prime locational advantages should correspond to the major determining factors of industry location selection.
2. Requirements for which Fort Wayne is not strongly competitive should not be significant industry location selection factors.
3. Industry growth must be expected and this growth should be likely to occur within the East North Central region.
4. The industries must be of sufficient size to be worthy of concentrated development effort.

In order to evaluate the "fit" of potential target industries to the Fort Wayne economy, Fantus will evaluate each industry grouping at the four-digit SIC level. This evaluation will include financial, wholesale trade, insurance, medical service, office/clerical industrial categories as well as the manufacturing industries. Special attention will also be paid to warehousing because of Fort Wayne's strategic transportation and market location.

Screening will be based on data in the Fantus area development and transportation data banks. These include both publicly available data and proprietary Fantus data, such as the New Plants and Expansions file. Screening criteria will include:

- Material sources
- Growth prospects
- Market orientation
- Environmental problems
- Wage rates
- Plant size
- Value of shipments
- Change in value of shipments

- Water discharge
- Regional location patterns
- Patterns of new plant and expansion locations

Based on this screening analysis, Fantus would identify 10 to 15 industry groups for intensive promotional efforts. These industry groups would be carefully defined and would include either a four-digit SIC, parts of a four-digit SIC, or a logical clustering that cuts across SIC categories (e.g., defense electronics).

Fantus would also indicate additional secondary target industries that screening analysis indicates have some potential locational fit for the Fort Wayne area but not to the same degree as the primary target industries.

#### Task IIIB: Target Industry Characterization

A detailed characterization of each target industry would be provided. This would contain three major components; first, a general industry description; second, a general firm description; and third, a typical facility model. The general industry description will include such factors as:

- Employment, industrywide and by firm size.
- Capital assets.
- Anticipated employment and capital expenditure growth over the next five and 10 years.
- Existing regional patterns of industry location and anticipated shifts in location over the next five and ten years.

These descriptions will be based on governmental sources (e.g., Census of Manufacturing), forecasting and econometric services (e.g., Predicasts), trade associations and related groups, and Fantus experience with the particular industry group.

Firms within the industry will be described in terms of such variables as:

- Employment size
- Number of branch operations
- Typical operating ratios involving sales, assets, and capital investment.

Finally, a "model" facility will be described based on Fantus experience with firms in the target industry and industry sources. This model will indicate what would be characteristic of a viable new facility in the industry in terms of employment, building size and characteristics, transportation shipments, wages, utility requirements, raw material sources, markets, and needs for specialized services.

#### Task IIIC: Development of Target Firm Lists

For each target industry, Fantus will develop a marketing list indicating firms that should be contacted and key decisionmakers within those firms to which contacts should be directed. Target firms will be selected on the basis of factors that Fantus has found are likely to influence a firm's new location decisions, such as firm size, growth, and present regional/community location. Based on past experience, we anticipate that there will be 50 to 200 firms within each target industry category.

#### PHASE IV: DEVELOPMENT OF A MARKETING PROGRAM

Fantus will develop a marketing blueprint to reach the target industries/firms designed in Phase III. This blueprint will indicate both proper use of standard techniques and specific sources, approaches, etc., that might apply to individual target industries. Guidance will be provided in terms of:

- Direct mail promotion.
- Brochure and data development.
- Media advertising (both general and industry specific).
- Telephone solicitation.
- Face-to-face selling.

- Use of business and other local volunteers.
- Budgetary considerations.

This marketing campaign will incorporate Fantus' extensive and successful experience in developing promotional strategies for hundreds of other communities. The report on this phase will be incorporated into the final project report.

#### PHASE V: PREPARATION OF FINAL REPORTS

Fantus will prepare a written report for each of the 10 to 15 target industries. Each report will indicate:

- Criteria for selection of the particular target industry (see Phase IIIA).
- General industry characteristics (see Phase IIIB).
- Characteristics of firms within the industry (see Phase IIIB).
- A list of target firms (see Phase IIIC).
- Specific marketing characteristics of the target industry.

In addition, Fantus will provide as a separate report the general marketing blueprint produced in Phase IV. Final reports describing the local economy (Phase I) and the assets, liabilities, and potentials of Fort Wayne (Phase II) also will be prepared. These reports will be submitted to the EDG during the 16th week of the study as indicated in Exhibit 1.

The final reports will be structured in such a way as to be useful in an industry retention and expansion program as well as a target industry program. General suggestions for the use of data gathered in this study and a general action approach for a retention/expansion program will be included in the final reports.

#### PHASE VI: PROJECT IMPLEMENTATION/FOLLOW-UP

Fantus does not believe that its involvement in a project should end with the submission of the final report. Accordingly, our project staff will remain available for consultation with



you during the implementation of the marketing plan. This involvement includes not only discussions by telephone and written reviews, etc., but also two additional meetings with you during the implementation phase of the project. These meetings and follow-up work would be arranged at your convenience and are fully reflected in our pricing structure.